

JEFFERSON COUNTY COMMISSIONERS
COURTHOUSE, BOX H
BOULDER, MT 59632
PHONE 406-225-4025
FAX 406-225-4148

KEN WEBER, CHAIR

CHUCK NOTBOHM

TOM LYTHGOE

**PROCEEDING OF THE BOARD OF COMMISSIONERS
COUNTY OF JEFFERSON, STATE OF MONTANA**

March 25, 2008

Present: Commissioners Lythgoe, Notbohm and Weber; Harold Stepper and Mike Hoffman, County Planners; Tom Harrington and Tom Jenkin, South-end Metal Mines Committee; Barbara Miller, NAHN; Dave Kirsch, Mark Williams, Jim Staedt

MINUTES

Commissioner Lythgoe moved to approve the minutes of February 26. Commissioner Notbohm seconded. The motion carried.

Commissioner Weber moved to approve the minutes of March 18. Commissioner Notbohm seconded. The motion carried.

CALENDAR REVIEW

3/26 North-end metal mine grant review – 9:00
Animal Shelter group meeting – 4:30 – Whitehall
Whitehall Community Development meeting – 7:00
3/27 Zoning Commission – 4:00

COMMISSION REPORTS

SOUTH END METAL MINES GRANTS

Commissioner Weber reported that he attended the south end metal mines grant review meeting on Friday. As he said earlier, some of the grants would not have gone through with the normal screening process, but because we had two grant areas this year it was done a bit differently and he didn't want them to have different processes.

E-COMMERCE TRAINING

Commissioner Weber reported that he attended the e-commerce class in Whitehall on Saturday. The class focused on using E-bay and how to get started.

ELKHORN MINE ADVISORY GROUP

Commissioner Lythgoe reported that he attended the Elkhorn Mine Advisory Group on Wednesday. Discussed the permitting process and how it is going. They are moving fairly quickly, and hopefully it won't be too long before it is out and available for public comment. They hope to start the mining process by this fall. They have not come upon any major roadblocks, but are looking at different options for milling. Initially they were looking just at Tunnels, but are now also looking at Golden Sunlight and Butte.

JLDC

Commissioner Lythgoe reported that he attended a JLDC meeting in Whitehall. Randy McGinnis from the recently formed task force to deal with teen drinking and binge drinking, gave a presentation on their program. Barb Reiter is also working under a grant from RMDC to also deal with binge drinking. They also discussed the new logo; everyone is getting frustrated with the process and the time it is taking.

CENTER FOR MENTAL HEALTH

Commissioner Lythgoe reported that he attended the Center for Mental Health meeting in Great Falls yesterday. They are in the process of looking for a new CEO. Did make the decision to purchase a motel that will serve as transitional housing for those with mental illness that are transitioning in or out of Warm Springs. The property is in pretty good shape, and the reconstruction and rehab will be phased over a three-year term. It will eventually be able to house 75 people.

ROCKY MOUNTAIN DEVELOPMENT COUNCIL

Commissioner Notbohm reported that he attended the RMDC meeting last Thursday. They are looking at a lot on Nob Hill for the next high school house. This has been a good program, with several students that have gone directly into the construction trade. Also, the person in charge of the mental health program in Helena is suddenly sounding very hopeful that things are going also well and they are establishing funds for the program. He saw recently that they are planning to reduce the number of residents at Warm Springs. Commissioner Lythgoe stated that the program Commissioner Notbohm is talking about is a crisis center in Helena. Helena and this area need a place where someone can be for two or three days to be evaluated, rather than being put in jail or sent directly to Warm Springs. The target population at Warm Springs is 189, which is much lower than the current population of well over 200. Commissioner Weber stated that we gave \$10,000 towards the program, so he is glad to hear that it is moving along.

ELECTED OFFICIAL/DEPARTMENT HEAD CONCERNS

NorthWest Energy: Commissioner Notbohm just got notice yesterday that NorthWest Energy has filed for bankruptcy. He is a bit concerned because comments are due April 1, and the

hearing is April 9. He spoke with Bonnie and Patty, and Patty ran some information for him. Matt was also given a copy of the notice, but he doesn't feel that this is an item of concern. They would have to go into reorganization and their debts would not be wiped off, but they would only have to pay pennies on the dollar. Commissioner Weber asked Commissioner Notbohm if he wants the Commission to agree to send in comments as being opposed to this. Commissioner Notbohm answered definitely; they are the number one tax payer in the county and this could kill our budget. Commissioner Weber stated that he will talk to Matt and take the lead on this.

Lewis & Clark Caverns: Commissioner Weber stated that he has another concern that Dave Kirsch brought to his attention. It regards bringing power to Lewis & Clark Caverns and would bring power to each of the camp slots, and he would like to write a letter in opposition to this. This will affect a lot of our private campgrounds, who actually pay us taxes, such as at Cardwell and Pipestone. It will affect others as well, not just in Jefferson County. He would like to send comments in opposition to this. Commissioner Notbohm stated that Lewis & Clark Caverns being in Jefferson County, he would think that we would get some revenue. Commissioner Weber stated that they are a state park, so they don't pay taxes. Dave Kirsch stated that Senator Murphy had some insight on this, and the proposed cost would be \$76,000. He stated that it would take 100 years to get a return on this. There was an article in the *Montana Standard* about this last week.

CORRESPONDENCE

The Commission received an e-mail from Bonnie Ramey regarding tax deeds. She stated that she contacted everyone in jeopardy of having a tax deed taken by the County for unpaid 2004 taxes. All taxes have been paid and her office will not be pursuing any tax deeds for this calendar year.

SUBDIVISION REVIEW

REQUEST FOR EXTENSION – AMENDED PLAT LOT 5A – BLUEBELL MINOR

Mike Hoffman, County Planner, presented a request for extension of final plat approval for this 5-lot minor subdivision located north of Jefferson City. The parcel contains 11.26 acres proposed to be split into five lots ranging in size from 1.61 to 3.81 acres. The developer has submitted a written request for a one-year extension of final plat approval. All conditions of approval have been met, with the exception of items 6 – DEQ approval, 8 – roads need to be approved by the Road Supervisor, 9 - RMD fees need to be submitted, and 13 - rural addresses need to be assigned. Mike recommended that a one-year extension be granted. Commissioner Weber read the letter of request that has been submitted to the Planning Department.

Commissioner Lythgoe asked where it refers to the RMD being formed. Mike stated that it will be incorporated into the Destiny Hills RMD. Harold Stepper explained that when the Destiny Hills RMD was formed, Nona Lane was trying to form another one. Nona Lane was incorporated with Destiny Hills, and this Bluebell Minor piece that they are doing now was assessed a fee. With what the County has been doing, with the resolution, any land that has been assessed in the bonding, the fees need to be paid off at the time of final plat approval.

Commissioner Lythgoe stated that this needs to be spelled out in the document. Harold stated that Mike can add this as a finding of fact. Commissioner Weber noted that it should also

include the number of the RMD.

Commissioner Lythgoe moved to grant a one-year time extension. Commissioner Notbohm seconded. The motion carried.

ITEMS FOR COMMISSIONERS ACTION OR REVIEW

PRESENTATION OF SOUTH-END METAL MINES GRANT RECOMMENDATIONS

Tom Harrington presented a summary of the grant recommendations (on file in the Clerk and Recorder's office) and reported that the grant committee met the previous Friday in Whitehall to review the grant applications. He stated that Barbara Miller with the National Affordable Housing Network also came to present a request for a short-term gap loan for a project in the Whitehall area. Five grants were reviewed – Whitehall Community Center, Pool Pals, Whitehall Chamber, Animal Shelter, and the Town of Whitehall. Tom noted that project scoring ranged from 28 to 71. He went on to give an overview of each of the applications.

The Community Center put in a request to pay for heating, insulation and internet upgrades. This application was rated number one by the committee.

Pool Pals put in a request to pay for a heater, sidewalk and bathhouse upgrades. This grant was lacking support documents and detail, and was rated number two. Commissioner Notbohm asked for clarification. Tom stated that they had estimates, but no supporting documents from contractors.

The Whitehall Chamber is hoping to move the visitor's center at Lewis and Clark Caverns into Whitehall. The committee thought that this was a pretty visionary project, and a major undertaking. This packet was also lacking documentation. Commissioner Notbohm asked what exactly the plan was. Tom stated that Fish and Game is going to be building a new building, and has told the Whitehall Chamber that they can have the current building, an A-frame that sits by the highway. This project was ranked number three.

The animal shelter committee was requesting funds to pay for future spay/neuter clinics. This project has a definite community benefit, but there was some confusion as to who was submitting the request, as both a committee and Salina Animal Shelter, Inc. were named in the documents. Commissioner Notbohm asked if this is for building a shelter. Tom stated that this request is to fund the spay/neuter clinic. Commissioner Notbohm asked if they included any information of what it would cost, as the previous clinics didn't cost as much as what they had thought. Commissioner Weber stated that they submitted documentation. The first clinic is free, the second clinic was able to use some money from fundraising available, and so they didn't require the full amount. The third and fourth clinic they are asking for funding for the full amount. Commissioner Notbohm noted that when they got the program together last year, they only needed \$800 from the County to pay their bills, and we gave them \$2,500. He asked if this was taken into consideration.

Commissioner Weber stated that part of the reason for some of these grants not going forward is

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that traditionally, he would screen the applications for completeness before forwarding them to the committee. He didn't do that this year, and if he did, only the Community Center application would have gone forward. Tom also added that there is a breakdown of costs for the spay/neuter expenses attached to the application.

The Town of Whitehall applied for funding for a website for the town. The committee has concerns with sustainability, as the grant would just cover one year.

Tom stated that the recommendation is that the Community Center be funded in the amount of \$12,855 for heating, insulation and internet upgrades. They are recommending that the rest not be funded at this time. This will leave a remainder of \$17,145.00 for the July cycle, and the committee requests that a letter be sent to the unsuccessful applicants encouraging them to review the grant application criteria and reapply for the July 2008 grant cycle.

The committee further had considerable discussion of the NAHN request and unanimously approved a one-year loan in the amount of \$75,000 to continue with the affordable housing project.

DISCUSS AND DECIDE ON NAHN REQUEST FOR SHORT-TERM LOAN FOR WHITEHALL HOUSING PROJECT

Barbara Miller, NAHN, stated that based on the survey of housing needs in Whitehall, and several public meetings that occurred, they have seen a really strong interest and are beginning to get spontaneous applications from people for single family, senior and special needs housing. Although they have not yet announced that they will be accepting applications, but the need is so great that people are already submitting them. Because of the great need, they have submitted Whitehall for low interest funding to buy and develop land. They have been successful to the tune of \$350,000 for Whitehall. Now they need to buy the land and do the environmental, and go through that painful subdivision process. If they have need for community development block grants, especially for road development in the area, all of that goes together. They think the economic impact of doing this project will be \$5 to \$6.6 million over the next five years, and it will make it possible for Whitehall's economic development in the future. When they went to look at other types of gap financing for this project, it is more difficult to find when there is no definite end date for the subdivision. There is a group of parents and community members that are anxious to get the special needs housing project underway and have privately contacted them to let them know that they are ready to start planning the minute the project is ready to go.

Commissioner Notbohm asked for clarification of the guarantee of the repayment of the loan. Barbara stated that it can be put against the land. Commissioner Notbohm asked about the cost of the land. Barbara stated that it is in the \$175,000 to \$200,000 range, and to facilitate the subdivision, they will accept payment over time. Commissioner Notbohm asked regarding the long-term plan, she stated that it would be a \$5 million project; he is assuming that this would include roads, sewer, etc. Barbara stated that this is correct, and also includes the construction costs of our self-help housing. Barbara stated that there are also plans for mid and upper income parcels to be sold to help finance the project. The eleven acres will not be densely developed. Based on listening to the neighbors and those that live in the area, they want it to be similar to

how it is now, with the exception of better roads. She knows that when they study this, there will probably be the need for CDBG funding as well as other funding, and they have committed to working that through. Because they are a part of the HOME grants, they are capable of achieving those grants, which are a half million at a time. Also, Whitehall and Jefferson County are eligible for those grants, and can partner with NAHN. The land is right on the edge of town, so will be developed in the county as a subdivision under Whitehall's rules. It would then be annexed into Whitehall. Commissioner Notbohm stated that she deals with these types of projects more than they do, and he asked about the long-term outlook of these projects. Barbara stated that Jefferson County is the most aggressive in the seven-county area in passing resolutions, and when you put up a loan as they did with the Boulder project, it shows up as match and leverage. If they go ahead and lock in these funds, they don't go anywhere else. She achieved \$750,000 in no interest land purchase money that has to go for seven counties, and with this project it will wipe out the rest of that and she will have to go get more. Jefferson County is first in line at this point, both in needs and willingness to approve it. This is not dependent on one funding source; it is a weave of six or seven. Commissioner Notbohm stated that he sits on the RMDC board, and they do a lot of low-income housing, so he is very aware that funding comes from different sources. Barbara stated that Whitehall has pressure from several counties for a place to live, and for them it meets several needs at once.

Harold stated that having gone through the Boulder experience, which was quite an experience, he would suggest that the Commission either extend the timeframe for the repayment of the loan or make it flexible. This could be a fairly complicated subdivision as they mingle several different types of density of buildings. Also, there will be some CDBG money applied for to get the infrastructure in, and they may not get final plat for a couple years. Needs to be something included to have the option to extend. Commissioner Notbohm asked if it could be set up as they do a subdivision, with the option of an extension. Harold stated that they need to have language included in the loan so that they are not locked into a one-year period. Commissioner Lythgoe recommended that they drop the time frame and just designate it as a short-term loan. Commissioner Notbohm stated that he thinks that there has to be some sort of time-frame attached. Barbara agreed that this is true, and noted that she does have other funding sources available, which is why she was willing to designate a one-year loan.

Mark William, stated that the neighbors are asking the same questions, and they are in limbo. They have questions on lot size, etc. They don't want to have something go in and regret it later. They feel that they are being left out of the process. He noted that he is not a single voice; he represents the people that he lives around. Commissioner Lythgoe stated that he is very aware of the public meetings that have been held in Whitehall regarding this project; there have been a lot of opportunities for people to participate. The Commission has not experienced anything bad as it relates to these projects. Barbara stated that no decisions, no lot sizes have been developed. People will not be left out, they plan to have an advisory group as in Boulder, and notification will be sent out prior to all meetings. Commissioner Weber stated that it is fairly obvious that word is hitting the street, if they have people applying for housing. There always seems to be a bit of frustration related to these types of projects that you hear about it and start talking about and everyone starts to wonder why it isn't happening right now.

Barbara stated that people also need to remember that it can take up to a year from the time they

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receive an application. Harold stated that he has also seen subdivisions take two to three years to be finalized, especially when you have infrastructure needs. CDBG is a minimum two-year cycle; they could be sitting there for two years waiting to get roads and sewer in. Commissioner Lythgoe stated that just like everything they do, it moves too fast for some and too slow for others; Barbara is very concerned with making sure everyone is involved, especially those who will be effected by the development. Commissioner Notbohm stated that one of Mark's concerns is the lot and dwelling size, which haven't even been developed yet, but asked Barbara if they have any ballpark ideas. Barbara stated that if you look at two condo buildings, that would be two building and there will be some single family dwellings also. After listening to comments, they thought that they could have some density where it counts. They could have some condos that help everybody, but it looks like one building. She noted that you can design things so that it still feels rural as it does now, and have some larger lots for more opulent homes that they could sell for the mixed income part of the development. Her review of the area showed legitimate concerns with roads, which will only increase with the added traffic. She stressed that this can bring real value to Whitehall without hurting anyone. Most people who had concerns have found that this project can meet needs that they have and never thought possible to have them met in Whitehall. Commissioner Notbohm noted that Helena City Commission just changed their regulations on lot size; the trend is to downsize. Barbara stated that the lots in Boulder are the largest in the entire project and will be elegant. She feels that they will have enough room that everyone will feel that it is spacious and they are not developing the entire area with houses on every square inch. As for the special needs housing, there are people in Whitehall right now that have been waiting eight years for a placement in a group home in a county that may not be anywhere near their relatives.

Tom Harrington stated that he wanted to point out that the community development committee will be meeting the following night and will be discussing the housing project and the formation of a steering committee as they have in Boulder. This is a real opportune time to step forward and say what you want the Town of Whitehall to be. Commissioner Notbohm stated that there was opposition to the Boulder project at first, but after attending meetings and finding out about the project, most everyone is firmly behind the project.

Commissioner Lythgoe moved to loan \$75,000 of the south-end metal mines money for a period of 12 months, with the possibility of two 12 month extensions to NAHN for the Whitehall affordable housing project. Commissioner Weber seconded. The motion carried.

Commissioner Weber noted that this meeting is the forum to discuss these issues. Because of ex parte rules, Commissioners are not allowed to talk about subdivisions outside of a public forum.

DISCUSS AND DECIDE ON JOINING THE WESTERN COUNTY ALLIANCE

Commissioner Weber stated that this is the group that the Commission had the phone conference with during a Commission meeting some time ago. WCA has taken a very strong stance on the road issues that they all face with the BLM and Forest Service. The normal rate to join is \$5,000/year, but they are anxious for us to join and would be willing to take whatever we can give. What they have done in Utah with their alliance is to use the state's portion of the metal mines money to fund three attorney general positions that work on nothing but these road issues

and things like that. They are very strong on suing the federal government for access and they are very strong on getting things in their state to balance what the counties need. Commissioner Weber stated that he is asking if the other Commissioners are interested in joining and at what financial level. Commissioner Notbohm stated that he feels it would be money well spent. If we are going to contribute to the cause, taking it out of metal mines would be something to discuss. Commissioner Weber stated that they got their state, Utah, involved, which he doesn't think will happen here. Commissioner Lythgoe asked if Commissioner Weber has a recommendation. Commissioner Weber stated that he feels that it would be appropriate to join for \$1,000/year. Commissioner Notbohm stated that somewhat related to this is that he read an article in recent paper about another sawmill closing. Montana has lost 30 of the larger sawmills in the last 15 years. If you can get into the forest to get post and poles, that is an access problem.

Commissioner Weber moved to join the Western County Alliance and send \$1,000 of metal mines money to support the organization. Commissioner Notbohm seconded. The motion carried.

RESOLUTION 13-2008 CANCELLATION OF DELINQUENT MOBILE HOME TAXES

Commissioner Weber read the resolution as follows (attachment on file in Clerk and Recorder's office):

RESOLUTION 13-2008

ORDER OF CANCELLATION OF PERSONAL PROPERTY TAXES

Comes now, Jefferson County, a political subdivision of the State of Montana, acting by and through its Board of County Commissioners, and hereby declares that it relinquishes all right, title, interest, and any and all liens arising from any delinquent taxes and fees under Title 15, Chapter 16, MCA, on the following personal property per attached **Exhibit "A"** of properties and taxes forgiven.

DATED this 25th day of March, 2008.

ATTEST:

BONNIE RAMEY
CLERK AND RECORDER

KEN WEBER, CHAIR

TOMAS E. LYTHGOE, COMMISSIONER

CHUCK NOTBOHM, COMMISSIONER

Commissioner Weber moved to adopt the resolution. Commissioner Lythgoe seconded. The motion carried.

TSEP PROJECT

Commissioner Weber stated that something went through the mail recently that the TSEP project has been changed. Counties will have the ability to reduce a project and still qualify.

Commissioner Lythgoe stated that Joe Carter reported this morning that we are making some pretty significant progress.

Commissioner Lythgoe moved to adjourn. Commissioner Notbohm seconded. The motion carried.

MEETING ADJOURNED

ATTEST:

**BONNIE RAMEY
CLERK AND RECORDER**

KEN WEBER, CHAIR

TOMAS E. LYTHGOE, COMMISSIONER

CHUCK NOTBOHM, COMMISSIONER